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FCC PAPER FINDS ONGOING CONSUMER FRUSTRATION WITH "BILL SHOCK"

Washington, DC -- The FCC today released a white paper on complaints the Commission has received on wireless "bill shock" -- a sudden, unexpected increase in the monthly mobile phone bill, even when the customer had not changed service plans.

Key statistics from the white paper show that:

- 764 people complained to the FCC about wireless bill shock in the first half of 2010.
- 67 percent of those complained about amounts of \$100 or more.
- 20 percent had complaints of \$1000 or more.
- The largest complaint received during this time was for \$68,505.

This white paper follows an FCC survey, released in May 2010, which showed that an estimated 30 million Americans had experienced bill shock in one form or another.

FCC Chairman Genachowski highlighted these findings in a speech today at Center for American Progress. He also announced that the agency would be holding a public forum on unexpected phone charges and related issues, which will include consumers and consumer groups, industry representatives, and technology experts.

"It is a very difficult time in our economy. Millions of Americans are struggling to get by -- and even a small, unexpected fee can make a big difference," said Chairman Genachowski. "Now, more than ever, we need to make sure consumers aren't being charged for more than what they signed up for, and that they have the information they need to make the best decisions for their families. Consumers need a watchdog -- and they can rest assured knowing the FCC is looking out for them."

Wireless bill shock can result from:

- International roaming charges that consumers run up without realizing they are doing so, and that can add up to thousands of dollars.
- Charges that accrue when consumers exceed the limits on their voice, text, or data plans, and begin accumulating high charges at a per-minute rate.
- Unexpected charges when a phone is used with Wi-Fi in "airplane mode."
- Charges for mandatory data plans that are included with new phones and plans without the consumer being aware.
- Taxes and other fees of which a consumer was not aware.

• Confusion about promotional rates, plans, and billing – including unclear or inconsistent guidance from salespeople and customer service representatives.

Joel Gurin, Chief of the FCC's Consumer and Governmental Affairs Bureau, said, "This complaint record is more evidence that bill shock is a widespread consumer problem -- and it gives us new evidence that it's often very costly. We're getting hundreds of complaints per year on bills that have gone up by a thousand dollars or more. That's a serious issue by anybody's standards, and one that we're moving to address."

The white paper can be found at: http://www.fcc.gov/stage/Bill-Shock-White-Paper.pdf

More information on the FCC's work on bill shock is available at http://www.fcc.gov/cgb/billshock/